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Chief Clerk of the House

FILED MAR 10 2005

H.B. No. 2597

By:

Guillen

A BILL TO BE ENTITLED

AN ACT

relating to evaluation of applicants for financial assistance to
colonias and other economically distressed areas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter I, Chapter 487, Government Code, is
amended by adding Section 487.354 to read as follows:

Sec. 487.354. SUPPLEMENTAL QUESTIONNAIRE FOR EVALUATION OF
COLONIAS AND OTHER ECONOMICALLY DISTRESSED AREAS. (a) In this
section:

(1) "Colonia" means any identifiable unincorporated
community, or an identifiable community annexed by a municipality
and eligible for assistance as described by Section 43.907(b),
Local Government Code, that:

(A) is located within 150 miles of the
international border of this state in a county that is eligible to
receive financial assistance from the community development block
grant colonia fund under this subchapter, as identified by office
rule;

(B) is determined by the office to be a colonia on
the basis of objective criteria, including lack of potable water
supply, lack of adequate sewage systems, and lack of decent, safe,
and sanitary housing; and

(C) was in existence and generally recognized as
a colonia before November 28, 1990.

15/11/10

(2) "Economically distressed area" means an area described by Section 17.921, Water Code, that is located in a county that is eligible for funding under the community development block grant program, as identified by office rule.

(b) As part of the application process for receiving financial assistance under this subchapter, an applicant shall submit to the office a supplemental questionnaire form. An application may not be considered for an award of financial assistance by the office without the completed questionnaire. The office is not required to verify the accuracy of the information provided by the applicant on the questionnaire. The office may, but is not required to, award funds to an applicant under this subchapter based on the applicant's score on a questionnaire.

(c) The supplemental questionnaire required under this section must read as follows:

WATER:

Is potable water available in the colonia or economically distressed area? YES NO

If YES, what percentage of homes have potable water service?

a) 0-25% b) 26-50% c) 51-75% d) 76-100%

WASTEWATER:

Is wastewater disposal available in the colonia or economically distressed area? YES NO

If YES, what percentage of homes have an adequate authorized sewer disposal system?

a) 0-25% b) 26-50% c) 51-75% d) 76-100%

TRASH:

1 Is trash collection available in the colonia or economically
2 distressed area? YES NO

3 If YES, what percentage of homes have an authorized solid
4 waste disposal service?

5 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

6 ACCESS TO HEALTHCARE:

7 A. Is there a hospital in the county? YES NO

8 If YES, the name of the hospital is _____

9 The nearest hospital is _____ miles away.

10 B. Is there an emergency clinic/rural clinic/federally
11 qualified health center in the county?

12 If YES, the nearest clinic/health center in the county is
13 _____ miles away.

14 If YES, what type of clinic/health center is available?
15 _____

16 C. Are emergency medical services available in the
17 area? YES NO

18 TRANSPORTATION:

19 A. Are the streets and roads passable in all weather
20 conditions? YES NO

21 B. Is the area accessible by emergency vehicles? YES NO

22 C. Are streets and roads paved? YES NO

23 If YES, what percentage of streets and roads are paved?

24 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

25 HOUSING:

26 What percentage of homes in the colonia or economically
27 distressed area appear to be in need of housing rehabilitation or

1 reconstruction?

2 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

3 COMMUNICATIONS:

4 Are telephone services (cellular or land based)

5 available? YES NO

6 PLATTING:

7 Has the area been platted? YES NO

8 ENGINEERING:

9 What is the approximate cost per connection or housing unit

10 for the project?

11 GENERAL:

12 Please explain the selection of this particular colonia or

13 economically distressed area as a candidate for financial

14 assistance. Include all aspects that identify the rationale for

15 this colonia or economically distressed area being selected for an

16 award of financial assistance.

17 (d) A score for the supplemental questionnaire required

18 under this section shall be computed using the following point

19 system:

					Max	
21	WATER	a) 2.5	b) 5	c) 7.5	d) 10	10
22	WASTEWATER	a) 2.5	b) 5	c) 7.5	d) 10	10
23	TRASH	a) 2.5	b) 5	c) 7.5	d) 10	10
24	ACCESS TO					
25	HEALTHCARE	a) Yes 3; No 0	b) Yes 3; No 0	c) Yes 4; No 0		
26						10
27	TRANSPORTATION A&B	a) Yes 2; No 0	b) Yes 2; No 0			4

TRANSPORTATION C	a) 1.5	b) 3	c) 4.5	d) 6	6
HOUSING	a) 2.5	b) 5	c) 7.5	d) 10	10
COMMUNICATIONS	Yes 10	No 0			10
PLATTING	Yes 10	No 0			10
TOTAL POSSIBLE SCORE					80

(e) Before the beginning of each regular session of the legislature, the office shall submit to the lieutenant governor, speaker of the house of representatives, and each other member of the legislature a report of all financial assistance provided under this chapter in the two years preceding the date of compilation of the report. For each applicant receiving funds under this chapter, the report shall include the applicant's score on the supplemental questionnaire.

SECTION 2. Subchapter F, Government Code, is amended by adding Section 2306.1115 to read as follows:

Sec. 2306.1115. SUPPLEMENTAL QUESTIONNAIRE FOR EVALUATION OF COLONIAS AND OTHER ECONOMICALLY DISTRESSED AREAS. (a) In this section:

(1) "Colonia" has the meaning assigned by Section 2306.581, Government Code.

(2) "Economically distressed area" has the meaning assigned by Section 17.921, Water Code.

(b) As part of the application process for receiving funds under this chapter, an applicant applying for financial assistance for an economically distressed area or a colonia shall submit to the department a supplemental questionnaire form. An application for financial assistance for an economically distressed area or colonia

1 may not be considered for funding by the department without the
2 completed questionnaire. The department is not required to verify
3 the accuracy of the information provided by the applicant on the
4 questionnaire. The department may, but is not required to, award
5 funds to an applicant under this chapter based on the applicant's
6 score on a questionnaire.

7 (c) The supplemental questionnaire required by Subsection
8 (b) must read as follows:

9 WATER:

10 Is potable water available in the colonia or economically
11 distressed area? YES NO

12 If YES, what percentage of homes have potable water service?

13 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

14 WASTEWATER:

15 Is wastewater disposal available in the colonia or
16 economically distressed area? YES NO

17 If YES, what percentage of homes have an adequate authorized
18 sewer disposal system?

19 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

20 TRASH:

21 Is trash collection available in the colonia or economically
22 distressed area? YES NO

23 If YES, what percentage of homes have an authorized solid
24 waste disposal service?

25 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

26 ACCESS TO HEALTHCARE:

27 A. Is there a hospital in the county? YES NO

1 If YES, the name of the hospital is _____

2 The nearest hospital is _____ miles away.

3 B. Is there an emergency clinic/rural clinic/federally

4 qualified health center in the county?

5 If YES, the nearest clinic/health center in the county is

6 _____ miles away.

7 If YES, what type of clinic/health center is available?

8 _____

9 C. Are emergency medical services available in the

10 area? _____ YES NO

11 TRANSPORTATION:

12 A. Are the streets and roads passable in all weather

13 conditions? _____ YES NO

14 B. Is the area accessible by emergency vehicles? YES NO

15 C. Are streets and roads paved? YES NO

16 If YES, what percentage of streets and roads are paved?

17 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

18 HOUSING:

19 What percentage of homes in the colonia or economically

20 distressed area appear to be in need of housing rehabilitation or

21 reconstruction?

22 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

23 COMMUNICATIONS:

24 Are telephone services (cellular or land based)

25 available? _____ YES NO

26 PLATTING:

27 Has the area been platted? _____ YES NO

ENGINEERING:

What is the approximate cost per connection or housing unit for the project?

GENERAL:

Please explain the selection of this particular colonia or economically distressed area as a candidate for financial assistance. Include all aspects that identify the rationale for this colonia or economically distressed area being selected for an award of financial assistance.

(d) A score for the supplemental questionnaire required under this section shall be computed using the following point system:

					Max
WATER	a) 2.5	b) 5	c) 7.5	d) 10	10
WASTEWATER	a) 2.5	b) 5	c) 7.5	d) 10	10
TRASH	a) 2.5	b) 5	c) 7.5	d) 10	10
ACCESS TO					
HEALTHCARE	a) Yes 3; No 0	b) Yes 3; No 0	c) Yes 4; No 0		10
TRANSPORTATION A&B		a) Yes 2; No 0	b) Yes 2; No 0		4
TRANSPORTATION C		a) 1.5	b) 3	c) 4.5	d) 6
					6
HOUSING	a) 2.5	b) 5	c) 7.5	d) 10	10
COMMUNICATIONS	Yes 10	No 0			10
PLATTING	Yes 10	No 0			10
TOTAL POSSIBLE SCORE					80

1 (e) Before the beginning of each regular session of the
2 legislature, the department shall submit to the lieutenant
3 governor, speaker of the house of representatives, and each other
4 member of the legislature a report of all financial assistance
5 provided under this chapter in the two years preceding the date of
6 compilation of the report. For each applicant receiving funds
7 under this chapter, the report shall include the applicant's score
8 on the supplemental questionnaire.

9 SECTION 3. Section 17.927, Water Code, is amended by adding
10 Subsections (e), (f), (g), and (h) to read as follows:

11 (e) As part of the application process for receiving
12 financial assistance under this subchapter, the applicant shall
13 submit to the board a supplemental questionnaire form. An
14 application for financial assistance may not be considered for an
15 award of financial assistance by the board without the completed
16 questionnaire. The board is not required to verify the accuracy of
17 the information provided by the applicant on the questionnaire.
18 The board may, but is not required to, award funds to an applicant
19 under this chapter based on the applicant's score on a
20 questionnaire.

21 (f) The supplemental questionnaire required by Subsection
22 (e) must read as follows:

23 WATER:

24 Is potable water available in the economically distressed
25 area? YES NO

26 If YES, what percentage of homes have potable water service?

27 a) 0-25% b) 26-50% c) 51-75% d) 76-100%

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B. Is the area accessible by emergency vehicles? YES NO

C. Are streets and roads paved? YES NO

If YES, what percentage of streets and roads are paved?

a) 0-25% b) 26-50% c) 51-75% d) 76-100%

HOUSING:

What percentage of homes in the economically distressed area
appear to be in need of housing rehabilitation or reconstruction?

a) 0-25% b) 26-50% c) 51-75% d) 76-100%

COMMUNICATIONS:

<u>Are telephone services (cellular or land based)</u>	
available?	YES NO
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PLATTING:

Has the area been platted? _____ YES NO

ENGINEERING:

What is the approximate cost per connection or housing unit
for the project?

GENERAL:

Please explain the selection of this particular economically distressed area as a candidate for financial assistance. Include all aspects that identify the rationale for this economically distressed area being selected for an award of financial assistance.

(g) A score for the supplemental questionnaire required under this section shall be computed using the following point system:

					Max
WATER	a) 2.5	b) 5	c) 7.5	d) 10	10

1	WASTEWATER	a) 2.5	b) 5	c) 7.5	d) 10	10
2	TRASH	a) 2.5	b) 5	c) 7.5	d) 10	10
3	ACCESS TO					
4	HEALTHCARE	a) Yes 3; No 0	b) Yes 3; No 0	c) Yes 4; No 0		
5						10
6	TRANSPORTATION A&B		a) Yes 2; No 0	b) Yes 2; No 0		
7						4
8	TRANSPORTATION C		a) 1.5	b) 3	c) 4.5	d) 6
9						6
10	HOUSING	a) 2.5	b) 5	c) 7.5	d) 10	10
11	COMMUNICATIONS	Yes 10	No 0			10
12	PLATTING	Yes 10	No 0			10
13	TOTAL POSSIBLE SCORE					80

14 (h) Before the beginning of each regular session of the
15 legislature, the board shall submit to the lieutenant governor,
16 speaker of the house of representatives, and each other member of
17 the legislature a report of all financial assistance provided under
18 this chapter in the two years preceding the date of compilation of
19 the report. For each applicant receiving funds under this chapter,
20 the report shall include the applicant's score on the supplemental
21 questionnaire.

22 SECTION 4. This Act applies only to an application for
23 financial assistance from the Office of Rural Community Affairs,
24 the Texas Department of Housing and Community Affairs, or the Texas
25 Water Development Board that is received on or after the effective
26 date of this Act. An application for financial assistance that is
27 received before the effective date of this Act is governed by the

1 law in effect at the time the application was made, and the former
2 law is continued in effect for that purpose.

3 SECTION 5. This Act takes effect September 1, 2005.

05 MAY 10 AM 3:49
HOUSE OF REPRESENTATIVES

**HOUSE
COMMITTEE REPORT**
1st Printing

By: Guillen

H.B. No. 2597

Substitute the following for H.B. No. 2597:

By: Chavez

C.S.H.B. No. 2597

A BILL TO BE ENTITLED

AN ACT

relating to systems for identifying colonias and for tracking the progress of state-funded projects that benefit colonias and the submission of a related report to the legislature.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 405, Government Code, is amended by adding Section 405.021 to read as follows:

Sec. 405.021. REPORT ON STATE-FUNDED PROJECTS SERVING COLONIAS. (a) In this section, "colonia" means a geographic area that:

(1) is an economically distressed area as defined by Section 17.921, Water Code; and

(2) is located in a county any part of which is within 62 miles of an international border.

(b) Based on information provided under Subsections (c) and (d), the secretary of state shall establish and maintain a classification system that allows the secretary of state to track the progress of state-funded projects in providing water or wastewater services, paved roads, and other assistance to colonias.

(c) The secretary of state shall compile information received from the Office of Rural Community Affairs, the Texas Water Development Board, the Texas Transportation Commission, the Texas Department of Housing and Community Affairs, the Department of State Health Services, and any other agency considered

1 appropriate by the secretary of state for purposes of the
2 classification system.

3 (d) The secretary of state shall compile information on
4 colonias that is received from the colonia ombudsmen under Section
5 775.004.

6 (e) The secretary of state shall:

7 (1) prepare a report on the progress of state-funded
8 projects in providing water or wastewater services, paved roads,
9 and other assistance to colonias; and

10 (2) submit the report to the presiding officer of each
11 house of the legislature not later than December 1 of each
12 even-numbered year.

13 (f) The report to the legislature must include a list of
14 colonias with the highest health risk to colonia residents, based
15 on factors identified by the secretary of state.

16 (g) In conjunction with the establishment of the
17 classification system required by this section, the secretary of
18 state shall establish and maintain a statewide system for
19 identifying colonias.

20 (h) The secretary of state may contract with a third party
21 to develop the classification system or the identification system
22 or to compile or maintain the relevant information required by this
23 section.

24 SECTION 2. Subchapter C, Chapter 487, Government Code, is
25 amended by adding Section 487.060 to read as follows:

26 Sec. 487.060. REPORT TO SECRETARY OF STATE. (a) In this
27 section, "colonia" means a geographic area that:

1 (1) is an economically distressed area as defined by
2 Section 17.921, Water Code; and

3 (2) is located in a county any part of which is within
4 62 miles of an international border.

5 (b) To assist the secretary of state in preparing the report
6 required under Section 405.021, the office on a quarterly basis
7 shall provide a report to the secretary of state detailing any
8 projects funded by the office that serve colonias by providing
9 water or wastewater services, paved roads, or other assistance.

10 (c) The report must include:

11 (1) a description of any relevant projects;

12 (2) the location of each project;

13 (3) the number of colonia residents served by each
14 project;

15 (4) the cost or anticipated cost of each project;

16 (5) a statement of whether each project is completed
17 and, if not, the expected completion date of the project; and

18 (6) any other information, as determined appropriate
19 by the secretary of state.

20 SECTION 3. Chapter 775, Government Code, is amended by
21 amending Section 775.003 and adding Section 775.004 to read as
22 follows:

23 Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. The colonia
24 initiatives coordinator shall ~~may~~ appoint a colonia ombudsman in
25 each of the six border counties that the coordinator determines
26 have the largest colonia populations.

27 Sec. 775.004. INFORMATION ON COLONIAS. (a) The colonia

1 ombudsmen shall gather information about the colonias in the
2 counties for which the ombudsmen were appointed and provide the
3 information to the secretary of state, to assist the secretary of
4 state in preparing the report required under Section 405.021.

5 (b) To the extent possible, the ombudsmen shall gather
6 information regarding:

- 7 (1) the platting of each colonia;
8 (2) the infrastructure of each colonia;
9 (3) the availability of health care services;
10 (4) the availability of financial assistance; and
11 (5) any other appropriate topic as requested by the
12 secretary of state.

13 (c) The ombudsmen shall provide the information to the
14 secretary of state not later than September 1 of each even-numbered
15 year.

16 SECTION 4. Subchapter D, Chapter 2306, Government Code, is
17 amended by adding Section 2306.083 to read as follows:

18 Sec. 2306.083. REPORT TO SECRETARY OF STATE. (a) In this
19 section, "colonia" means a geographic area that:

20 (1) is an economically distressed area as defined by
21 Section 17.921, Water Code; and

22 (2) is located in a county any part of which is within
23 62 miles of an international border.

24 (b) To assist the secretary of state in preparing the report
25 required under Section 405.021, the board on a quarterly basis
26 shall provide a report to the secretary of state detailing any
27 projects funded by the department that provide assistance to

1 colonias.

2 (c) The report must include:

3 (1) a description of any relevant projects;

4 (2) the location of each project;

5 (3) the number of colonia residents served by each
6 project;

7 (4) the cost or anticipated cost of each project;

8 (5) a statement of whether each project is completed
9 and, if not, the expected completion date of the project; and

10 (6) any other information, as determined appropriate
11 by the secretary of state.

12 SECTION 5. Subchapter B, Chapter 1001, Health and Safety
13 Code, is amended by adding Section 1001.033 to read as follows:

14 Sec. 1001.033. REPORT TO SECRETARY OF STATE. (a) In this
15 section, "colonia" means a geographic area that:

16 (1) is an economically distressed area as defined by
17 Section 17.921, Water Code; and

18 (2) is located in a county any part of which is within
19 62 miles of an international border.

20 (b) To assist the secretary of state in preparing the report
21 required under Section 405.021, Government Code, the commissioner
22 on a quarterly basis shall provide a report to the secretary of
23 state detailing any projects funded by the department that provide
24 assistance to colonias.

25 (c) The report must include:

26 (1) a description of any relevant projects;

27 (2) the location of each project;

1 (3) the number of colonia residents served by each
2 project;
3 (4) the cost or anticipated cost of each project;
4 (5) a statement of whether each project is completed
5 and, if not, the expected completion date of the project; and
6 (6) any other information, as determined appropriate
7 by the secretary of state.

8 SECTION 6. Subchapter C, Chapter 201, Transportation Code,
9 is amended by adding Section 201.116 to read as follows:

10 Sec. 201.116. REPORT TO SECRETARY OF STATE. (a) In this
11 section, "colonia" means a geographic area that:

12 (1) is an economically distressed area as defined by
13 Section 17.921, Water Code; and

14 (2) is located in a county any part of which is within
15 62 miles of an international border.

16 (b) To assist the secretary of state in preparing the report
17 required under Section 405.021, Government Code, the commission on
18 a quarterly basis shall provide a report to the secretary of state
19 detailing any projects funded by the department that serve colonias
20 by providing paved roads or other assistance.

21 (c) The report must include:

22 (1) a description of any relevant projects;
23 (2) the location of each project;
24 (3) the number of colonia residents served by each
25 project;
26 (4) the cost or anticipated cost of each project;
27 (5) a statement of whether each project is completed

1 and, if not, the expected completion date of the project; and

2 (6) any other information, as determined appropriate
3 by the secretary of state.

4 SECTION 7. Subchapter E, Chapter 6, Water Code, is amended
5 by adding Section 6.1565 to read as follows:

6 Sec. 6.1565. REPORT TO SECRETARY OF STATE. (a) In this
7 section, "colonia" means a geographic area that:

8 (1) is an economically distressed area as defined by
9 Section 17.921; and

10 (2) is located in a county any part of which is within
11 62 miles of an international border.

12 (b) To assist the secretary of state in preparing the report
13 required under Section 405.021, Government Code, the board on a
14 quarterly basis shall provide a report to the secretary of state
15 detailing any projects funded by the board that serve colonias by
16 providing water or wastewater services or other assistance.

17 (c) The report must include:

18 (1) a description of any relevant projects;
19 (2) the location of each project;
20 (3) the number of colonia residents served by each
21 project;

22 (4) the cost or anticipated cost of each project;
23 (5) a statement of whether each project is completed

24 and, if not, the expected completion date of the project; and

25 (6) any other information, as determined appropriate
26 by the secretary of state.

27 SECTION 8. This Act takes effect September 1, 2005.

COMMITTEE REPORT

The Honorable Tom Craddick
Speaker of the House of Representatives

4/28/05
(date)

Sir:

We, your COMMITTEE ON BORDER AND INTERNATIONAL AFFAIRS

to whom was referred HB 2597 have had the same under consideration and beg to report back with the recommendation that it

- () do pass, without amendment.
- () do pass, with amendment(s).
- (x) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
- (x) yes () no A fiscal note was requested.
- () yes (x) no A criminal justice policy impact statement was requested.
- () yes (x) no An equalized educational funding impact statement was requested.
- () yes (x) no An actuarial analysis was requested.
- () yes (x) no A water development policy impact statement was requested.
- () yes (x) no A tax equity note was requested.
- (x) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor _____

Joint Sponsors: _____ / _____ / _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Chavez, Chair	✓			
Griggs, Vice-chair				✓
Alonzo	✓			
Castro				✓
Merritt	✓			
Moreno, J.	✓			
Vo	✓			

Total 5 aye
 0 nay
 0 present, not voting
 2 absent

Norma Ranz
CHAIR

BILL ANALYSIS

C.S.H.B. 2597
By: Guillen
Border and International Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, state agencies collect pertinent information concerning colonias. However, a complete state-wide classification system with the progress of state-funded projects in colonia areas does not exist. State government would be better able to address colonia issues if such a system were in existence.

The committee substitute to House Bill 2597 requires the Secretary of State to establish and maintain a classification system to track the progress of state-funded projects in colonia areas and submit a report to the legislature on the progress of the projects.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1 Adds Section 405.021, Government Code, requiring the Secretary of State to prepare a report on state-funded projects serving colonias.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

Requires the secretary of state, based on information provided by the Office of Rural Community Affairs, the Water Development Board, the Transportation Commission, the Department of Housing and Community Affairs, the Department of State Health Services, and any other appropriate agency as determined by the Secretary of State, to establish and maintain a classification system that allows the secretary of state to track the progress of state-funded projects that provide water or wastewater services, paved roads, and other assistance to colonias. The Secretary of State shall also compile information on colonias that is received from the various colonia ombudsmen under Section 775.004, Government Code

The Secretary of State (Secretary) shall prepare a report on the progress of state-funded projects in providing water and wastewater services, paved roads, and other assistance to colonias and to submit the report to the presiding officer of each house of the legislature not later than December 1 of each even-numbered year. The report must include a list of colonias with the highest health risk to colonia residents.

In conjunction with the establishment of the classification system, the Secretary is also required to establish and maintain a statewide system for identifying colonias. The Secretary is authorized to contract with a third party to develop the classification system or compile or maintain the relevant information required by Section 405.021, Government Code.

SECTION 2 Adds Section 487.060, Government Code, requiring the Office of Rural and Community Affairs to assist the Secretary in preparing the report required under Section 405.021, Government Code, and to provide on a quarterly basis a report

to the Secretary detailing any projects funded by the Office that serve colonias by providing water or wastewater services, paved roads, or other assistance. Requires the report to include certain information.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

SECTION 3 Amends Section 775.003, Government Code, requiring the colonia initiatives coordinator to appoint a colonia ombudsman in each of the six border counties that the coordinator determines have the largest colonia populations.

Adds Section 775.004, Government Code, requiring the colonia ombudsmen to gather information about the colonias in the counties for which the ombudsmen were appointed and provide the information to the Secretary and to assist the Secretary in preparing the report required under Section 405.021, Government Code. Sets forth specific information which the ombudsmen are required, to the extent possible, to gather and requires the ombudsmen to provide the information to the Secretary not later than September 1 of each even-numbered year.

SECTION 4 Adds Section 2306.083, Government Code, requiring the governing board of the Department of Housing and Community Affairs to assist the Secretary in preparing the report required under Section 405.021, Government Code, and to provide on a quarterly basis a report to the Secretary detailing any projects funded by the Department that provide assistance to colonias. Requires the report to include certain information.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

SECTION 5 Adds 1001.033, Health and Safety Code, requiring the commissioner of state health services, to assist the Secretary in preparing the report required under Section 405.021, Government Code, and to provide on a quarterly basis a report to the Secretary detailing any projects funded by the Department of State Health Services that provide assistance to colonias. Requires the report to include certain information.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

SECTION 6 Adds Section 201.116, Transportation Code, requiring the Transportation Commission to assist the Secretary in preparing the report required under Section 405.021, Government Code, and to provide on a quarterly a report to the Secretary detailing any projects funded by the Commission that serve colonias by providing paved roads or other assistance. Requires the report to include certain information.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

SECTION 7 Adds Section 6.1565, Water Code, requiring the Water Development Board, to assist the Secretary in preparing the report required under Section 405.021, Government Code, and to provide on a quarterly basis a report to the Secretary detailing any projects funded by the board that serve colonias by providing water or wastewater services or other assistance. Requires the report to include certain information.

Defines colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of the Texas-Mexico border.

SECTION 8 This Act takes effect September 1, 2005.

EFFECTIVE DATE

September 1, 2005

COMPARISON OF ORIGINAL TO SUBSTITUTE

The committee substitute defines a colonia as a geographic area that is an economically distressed area as defined by Section 17.921, Water Code, and is located in a county any part of which is within 62 miles of an international border. The original defined colonia more broadly.

The committee substitute requires the Secretary of State (Secretary) to establish and maintain a classification system to track the progress of state-funded projects providing assistance to colonias. The information compiling the classification system shall come from the Office of Rural and Community Affairs, the Water Development Board, the Texas Transportation Commission, the Department of Housing of Community Affairs, the Department of State Health Services, and any other appropriate agency. The Secretary is required to prepare a report on the progress of the projects and submit the report to the legislature not later than December 1 of each even-numbered year.

The committee substitute requires the colonia initiatives coordinator to appoint a colonia ombudsman in the six border counties that the coordinator determines have the largest colonia populations. The ombudsmen shall gather certain information about colonias in those counties and provide that information to the Secretary of State to prepare the report to the legislature.

The original version of the bill required all applicants applying for certain financial assistance from the Office of Rural Community Affairs, the Department of Housing and Community Affairs, and the Water Development Board to submit a questionnaire regarding the availability of certain services in the area seeking the assistance. It also required the same three agencies to use the questionnaire in evaluating colonias and other economically distressed areas when awarding financial assistance.

SUMMARY OF COMMITTEE ACTION

HB 2597

April 20, 2005 8:00AM

Considered in public hearing
Committee substitute considered in committee
Testimony taken in committee (See attached witness list.)
Left pending in committee

April 28, 2005 upon final adjourn./recess

Considered in public hearing
Committee substitute considered in committee
Recommended to be sent to Local & Consent
Reported favorably as substituted

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WITNESS LIST

HB 2597
HOUSE COMMITTEE REPORT
Border and International Affairs Committee

April 20, 2005 - 8:00AM

On: Stone, Charles (Office of Rural Community Affairs)

Registering, but not testifying:

On: Cabello, Homero (Texas Department of Housing and
Community Affairs)

Madera, Ignacio (Texas Water Development Board)

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 2, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: **HB2597** by Guillen (Relating to systems for identifying colonias and for tracking the progress of state-funded projects that benefit colonias and the submission of a related report to the legislature.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Government Code, Water Code, Health and Safety Code, and Transportation Code to require the Secretary of State to establish and maintain a classification system to track state-funded projects related to water/wastewater services, paved roads to colonias, and other assistance to colonias in conjunction with a statewide system for identifying colonias. It would require the colonias ombudsman, Office of Rural Community Affairs, the Texas Water Development Board, the Texas Department of Housing and Community Affairs, the Texas Department of State Health Services, and the Texas Transportation Commission to report information to the Secretary of State for the classification system and the Secretary of State to compile the reported information.

The bill would require the Secretary of State to report information tracked by the classification system to the presiding officer of each house of the legislature in even-numbered years. It would require the colonias ombudsmen to assist the Secretary of State in preparing the report.

The bill would allow the Secretary of State to contract with a third-party to develop the classification system or colonias identification system or to compile the required information, which the agency estimates to cost \$3,000 per fiscal year out of General Revenue funds.

It is anticipated that any costs related to implementing the provisions of the bill could be absorbed by existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs, 307 Secretary of State, 537 Department of State Health Services, 357 Office of Rural Community Affairs, 580 Water Development Board, 601 Department of Transportation

LBB Staff: JOB, CL, TL, NR

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 19, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2597 by Guillen (Relating to evaluation of applicants for financial assistance to colonias and other economically distressed areas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code related to the applicants of Community Development Block Grants (CDBG) administered by the Office of Rural Community Affairs (ORCA) for economically distressed areas known as a colonias.

The bill would require an applicant to fill out a supplemental questionnaire form. An application may not be considered for an award of financial assistance by ORCA without the completed questionnaire. ORCA would award financial assistance based on the applicant's score on the questionnaire. The bill specifies what the supplemental questionnaire is required to include.

The bill requires ORCA, before the beginning of each regular session of the legislature, to submit to the Lieutenant Governor, Speaker of the House of Representatives, and each other member of the legislature a report of all financial assistance provided under provisions of the bill in the two years preceding the date of compilation of the report. The bill requires the report to include each applicant's score on the supplemental questionnaire.

Based on the analysis of ORCA, duties and responsibilities associated with implementing provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs, 357 Office of Rural Community Affairs, 580 Water Development Board

LBB Staff: JOB, CL, MW, BC

H.B. No.

2597

A BILL TO BE ENTITLED
AN ACT

By

Gvillen

relating to evaluation of applicants for financial assistance to colonias and other economically distressed areas.

MAR 10 2005

Filed with the Chief Clerk

MAR 16 2005

Read first time and referred to Committee on

Border and International Affairs

APR 28 2005

Reported favorably (as substituted)

MAY 10 2005

Sent to Committee on (Local & Consent Calendars)

Read second time (comm. subst.) (amended); passed to third reading (failed) by a (non-record vote)
(record vote of years, nays, present, not voting)

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
by a vote of years, nays, present, not voting

Read third time (amended); finally passed (failed to pass) by a (non-record vote)
(record vote of years, nays, present, not voting)

Engrossed

Sent to Senate

CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

Received from the House

Read and referred to Committee on

Reported favorably

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
(years, nays)

Read second time, and passed to third reading by (unanimous consent)
(a viva voce vote)
(years, nays)

Senate and Constitutional 3 Day Rules suspended by a vote of years, nays

Read third time, and passed by a (viva voce vote)
(years, nays)

Returned to the House

SECRETARY OF THE SENATE

OTHER SENATE ACTION:

_____ Returned from the Senate (as substituted)
(with amendments)

_____ House concurred in Senate amendments by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House refused to concur in Senate amendments and requested the appointment of a conference committee
by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House conferees appointed: _____, Chair; _____,
_____, _____, _____

_____ Senate granted House request. Senate conferees appointed: _____, Chair;
_____, _____, _____

_____ Conference committee report adopted (rejected) by the House by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)
(record vote of _____ yeas, _____ nays)

05 MAY 10 AM 3:49
HOUSE OF REPRESENTATIVES